

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

	May-08				April-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	128,888	3.5%	3.4%	4.75%	123,658	3.3%	3.4%	5.69%	116,985	3.2%	3.4%	-10.91%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-2.48%	21.84%	13.35%	N/A
Total Structured Growth	128,888	3.5%	3.4%	4.75%	123,658	3.3%	3.4%	5.69%	116,985	3.2%	3.4%	-10.91%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-2.48%	21.84%	13.35%	10.94%
<i>Russell 1000 Growth</i>				3.67%				5.25%				-10.18%				-0.77%				4.21%	1.34%	19.04%	8.70%	9.28%
<i>Structured Value</i>																								
LSV	121,009	3.3%	3.4%	0.11%	121,479	3.3%	3.4%	4.74%	115,947	3.2%	3.4%	-9.73%	117,021	3.1%	3.4%	-5.53%	124,303	3.3%	3.4%	-0.89%	-11.38%	23.77%	19.00%	16.55%
<i>Russell 1000 Value</i>				-0.16%				4.87%				-8.72%				-5.80%				-0.24%	-10.16%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	253,027	6.8%	6.8%	3.05%	246,811	6.7%	6.8%	5.22%	234,511	6.4%	6.8%	-10.22%	237,944	6.4%	6.8%	-1.07%	253,828	6.8%	6.8%	0.24%	-3.45%	21.27%	13.46%	N/A
<i>Russell 1000</i>				1.83%				5.07%				-9.48%				-3.23%				1.98%	-4.42%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>																								
Westridge	262,346	7.1%	6.8%	1.42%	279,392	7.6%	6.8%	5.00%	265,903	7.3%	6.8%	-9.12%	266,676	7.1%	6.8%	-3.04%	281,306	7.5%	6.8%	2.18%	-4.11%	21.12%	11.98%	N/A
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	
<i>Index</i>																								
State Street	85,353			2.19%	90,148			3.91%	86,696			-10.81%	72,386			-6.37%	77,081			-0.80%	-12.02%	21.82%	12.34%	11.08%
Total 130/30	85,353	2.3%	2.3%	2.19%	90,148	2.4%	2.3%	3.91%	86,696	2.4%	2.3%	-10.81%	72,386	1.9%	2.3%	-6.37%	77,081	2.1%	2.3%	-0.80%	-12.02%	21.82%	12.34%	11.08%
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	850,622	23.0%	22.5%	2.26%	861,487	23.3%	22.5%	5.01%	820,042	22.5%	22.5%	-9.94%	813,651	21.7%	22.5%	-2.89%	864,019	23.1%	22.5%	0.62%	-5.51%	21.86%	13.76%	12.22%
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	145,522	3.9%	3.8%	4.05%	145,322	3.9%	3.8%	4.53%	138,987	3.8%	3.8%	-11.46%	134,084	3.6%	3.8%	-6.35%	143,023	3.8%	3.8%	-3.66%	-13.11%	18.39%	13.70%	14.37%
<i>Russell 2000 + 200bp</i>				4.76%				4.35%				-9.43%				-4.09%				-2.60%	-7.51%	18.76%	15.72%	16.16%
<i>Enhanced</i>																								
Research Affiliates	143,830	3.9%	3.8%	4.22%	143,016	3.9%	3.8%	3.13%	138,683	3.8%	3.8%	-6.75%	127,077	3.4%	3.8%	-7.00%	136,366	3.6%	3.8%	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000</i>				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%			
TOTAL SMALL CAP DOMESTIC EQUITY	289,352	7.8%	7.5%	4.14%	288,338	7.8%	7.5%	3.83%	277,671	7.6%	7.5%	-9.17%	261,161	7.0%	7.5%	-6.67%	279,389	7.5%	7.5%	-4.98%	-12.90%	18.39%	13.70%	14.37%
<i>Russell 2000</i>				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%	16.44%	13.45%	13.88%
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	714,041	19.3%	20.2%	-0.65%	706,243	19.1%	20.2%	1.45%	697,678	19.2%	20.2%	-1.03%	744,746	19.9%	20.2%	1.63%	728,665	19.5%	20.2%	1.87%	3.28%	7.29%	4.44%	5.64%
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>																								
Hyperion	165,050	4.5%	5.2%	-0.47%	170,063	4.6%	5.2%	-1.88%	178,441	4.9%	5.2%	-7.97%	199,213	5.3%	5.2%	-1.00%	198,326	5.3%	5.2%	-1.78%	-12.60%	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				-0.70%				-0.57%				4.18%				3.15%				3.88%	10.22%			
<i>Core Plus/Enhanced</i>																								
Clifton Group	210,821	5.7%	5.2%	-0.65%	208,531	5.6%	5.2%	-0.73%	210,217	5.8%	5.2%	3.69%	217,107	5.8%	5.2%	3.99%	205,732	5.5%	5.2%	4.41%	11.04%	5.52%	N/A	N/A
Prudential	207,305	5.6%	5.2%	-0.28%	204,181	5.5%	5.2%	0.50%	204,520	5.6%	5.2%	0.95%	208,162	5.6%	5.2%	2.45%	200,267	5.4%	5.2%	1.95%	5.67%	N/A	N/A	N/A
Total Core Plus/Enhanced	418,126	11.3%	10.4%	-0.47%	412,713	11.2%	10.4%	-0.12%	414,737	11.4%	10.4%	2.35%	425,269	11.4%	10.4%	3.23%	405,999	10.9%	10.4%	3.18%	8.38%	5.95%	N/A	N/A
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%		
<i>Index</i>																								
Bank of ND	359,027	9.7%	9.1%	-1.09%	356,799	9.7%	9.1%	-0.87%	359,787	9.9%	9.1%	2.94%	372,558	9.9%	9.1%	3.04%	362,719	9.7%	9.1%	3.09%	7.24%	5.45%	2.92%	4.32%
<i>Lehman Gov/Credit (1)</i>				-1.03%				-0.59%				2.53%				3.10%				3.01%	7.13%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	720,151	19.5%	20.2%	-0.95%	714,960	19.4%	20.2%	0.55%	710,770	19.5%	20.2%	0.36%	738,321	19.7%	20.2%	1.98%	718,998	19.2%	20.2%	1.48%	3.45%	7.93%	4.86%	6.59%
<i>Lehman US Credit BAA</i>				-0.64%				1.30%				-1.05%				1.90%				1.67%	3.18%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	2,376,394	64.2%	65.0%	-0.76%	2,360,778	63.9%	65.0%	0.30%	2,361,412	64.8%	65.0%	0.00%	2,480,107	66.2%	65.0%	2.00%	2,414,708	64.5%	65.0%	1.84%	3.40%	7.11%	3.89%	5.04%
<i>Lehman Aggregate (2)</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																								
Bank of ND	184,467	5.0%	5.0%	0.16%	183,225	5.0%	5.0%	0.15%	183,425	5.0%	5.0%	0.70%	190,628	5.1%	5.0%	0.96%	183,769	4.9%	5.0%	1.24%	3.25%	5.36%	4.10%	3.00%
<i>90 Day T-Bill</i>				0.03%				0.11%				0.88%				1.05%				1.34%	3.45%	5.21%	3.78%	2.76%
TOTAL RISK MANAGEMENT FUND	3,700,836	100.0%	100.0%	0.37%	3,693,828	100.0%	100.0%	1.62%	3,642,551	100.0%	100.0%	-2.76%	3,745,547	100.0%	100.0%	0.21%	3,741,884	100.0%	100.0%	1.04%	0.43%	11.20%	6.46%	7.26%
<i>POLICY TARGET BENCHMARK</i>				0.16%				1.28%				-1.48%				0.92%				2.17%	3.04%	10.02%	6.27%	6.80%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.